

Newark Watershed Conservation and Development Corporation

Minutes of a Public Session of the Regular Meeting of the Board of Trustees Wednesday, June 18, 2014

Opening of Meeting

Called to order: 3:16 P.M.

Introductions/Roll Call

Participants:

- Hon. James R. Zazzali, Trustee
- William T. Merritt, Trustee
- Dr. Clement A. Price, Trustee (via teleconference)¹
- Edwin H. Stier, Trustee (via teleconference)²
- Hon. Dorothea O’C. Wefing, Trustee

Counsel:

- Eric Kanefsky, Esq.
- Samuel Scott Cornish, Esq.
- Matthew Baker, Esq. (Recording Secretary)

Members of the Public:

- Guy Sterling – Newark Water Group
- Joseph Hartnett
- David Hoffman, Esq.
- Sarab Thapar, Esq. – Hardin, Kundla, McKeon & Poletto³

Executive Session

Chairperson Zazzali entertained a motion to enter Executive Session, noting that the Board of Trustees (“Board”) of the Newark Watershed Conservation and Development Corporation (“NWDC”) would discuss severance and other personnel matters, contractual matters, pending and potential litigation, and government investigations, and that the minutes of the Executive Session will remain confidential until the end of the litigation and investigation, or until such time as the Board determines the need for confidentiality no longer exists.

Motion to Enter Executive Session:

¹ Trustee Price entered the meeting at 3:34 P.M. and exited the meeting at 4:48 P.M.

² Trustee Stier exited the meeting at 4:19 P.M.

³ Mr. Thapar entered the meeting at 3:35 P.M.

Moved by Trustee Wefing Second by Trustee Merritt

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price				X
Edwin H. Stier, Esq.	X			
William T. Merritt	X			
The Hon. Augusto Amador				X

Action taken Motion Passed

The Board entered Executive Session at 3:17 P.M.⁴ Chairperson Zazzali noted that the Board will reconvene in Public Session after concluding its matters in Executive Session.

Return to Public Session

Motion to Exit Executive Session and Reconvene in Public Session:

Moved by Trustee Merritt Second by Trustee Wefing

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			
The Hon. Augusto Amador				X

Action taken Motion Passed

The Board exited Executive Session and reconvened in Public Session at 3:35 P.M.⁵

Public Comment

Chairperson Zazzali opened the meeting to public comment. Mr. Hoffman stated that he represents former NWCDL employees in an administrative appeal of the NWCDL’s determinations regarding his clients’ severance and other benefits. He also questioned the rental cost and location of the NWCDL’s offices, and requested the publication of recent public and executive session Board meeting minutes. He further requested publication of all documents the NWCDL provided to the Office of the State Comptroller (the “Comptroller”) in connection with the Comptroller’s report regarding the NWCDL published in February 2014, and requested that

⁴ Members of the public left the meeting as the Board entered Executive Session.
⁵ Members of the public re-entered the meeting as the Board reconvened in Public Session.

the Board reconsider ratifying of contracts and acts prior to and after the Provisional Trustees' appointment. He also requested the date, time and location of the next Board meeting. Mr. Hoffman provided copied of his statement to Mr. Kanefsky.

Mr. Sterling noted that Newark residents were recently notified that, for a period of at least three years ending in April 2014, the City of Newark (the "City") and the NWCDC had failed to monitor the turbidity of the City's water. Mr. Sterling expressed concern over this conduct.

Interim Executive Director

Chairperson Zazzali advised that the Board has interviewed Joseph Hartnett for the position of Interim Executive Director. Trustee Wefing noted that the Board advertised for applicants for the position, and interviewed a number of candidates.

Resolution No. 01-083 Appointing Joseph M. Hartnett as Interim Executive Director of the Newark Watershed Conservation and Development Corporation and Approving a Contract for His Services.

Mr. Kanefsky discussed Mr. Hartnett's qualifications, and the terms of his anticipated agreement with the NWCDC, which include compensation at \$7,000 per month for at least 30 hours of work per week, and the right for both parties to revisit these terms if the position requires more or fewer hours per week. The Board also agreed that Resolution 01-083 will note that the NWCDC Board advertised for applicants for the position, and interviewed a number of candidates.

Motion to Approve Resolution No. 01-083 Appointing Joseph M. Hartnett as Interim Executive Director of the Newark Watershed Conservation and Development Corporation and Approving a Contract for His Services:

Moved by Trustee Merritt Second by Trustee Wefing

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O'C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			
The Hon. Augusto Amador				X

Action taken Motion Passed and Resolution Approved

Mr. Hartnett thanked the Board, and assured the Board that he would do everything he could to achieve the NWCDC's goals and objectives.

Minutes

Chairperson Zazzali acknowledged the Board's receipt of minutes from the public sessions of the May 7, 2014, and May 21, 2014, Board meetings, for the Board's review and consideration.

Accounting and Auditing Services

Mr. Kanefsky advised that the NWCDC's auditor, Donohue Gironde & Doria ("Donohue"), has submitted its May 2014 invoice. Mr. Cornish noted that Donohue finished re-constructing the trial balance for 2012, which will allow the NWCDC's auditor, Wiss & Co. ("Wiss"), to begin work on the 2012 annual audit.

Mr. Kanefsky advised that Wiss provided an updated quote for the price of the 2012 audit, which is significantly higher than the quote previously provided. Mr. Kanefsky noted that he spoke to Dave Gannon from Wiss, who advised that the prior quote had been provided before the publication of, and without information presented in, the Comptroller's report. Mr. Gannon advised that there are a significant number of transactions that Wiss will have to examine, but that he would do his best to control costs. Mr. Kanefsky also advised that Wiss is not currently performing work on the 2012 audit, as Wiss's retainer agreement has not been executed, but Wiss does have personnel ready to begin work once the agreement is signed.

Defined Benefit Plan

Mr. Kanefsky advised that Meketa Investment Group ("Meketa"), which is the NWCDC's advisor with regard to the investment of its Defined Benefit Plan ("DB Plan") funds, would like to know how often and through what means the Board would like reports regarding the DB Plan. He also advised that the underfunded status of the DB Plan, and the payment due into the DB Plan by September 2014, are open items, and that the NWCDC has received invoiced from Meketa and from its pension consultant, Altigro Pension Services ("Altigro").

Insurance Procurement

Mr. Baker advised that the NWCDC renewed its corporate liability and umbrella policies, and that the automotive liability coverage that was previously a part of the NWCDC's corporate liability policy has been removed. He also advised that the policies were renewed with the help of BCG Advisors ("BCG"), an insurance broker with whom Mr. Butcher began working prior to his passing.

Mr. Baker also advised that payment of the NWCDC's vision insurance premium must be made by June 24, 2014. The Board agreed that the premium should be paid.

Office Lease

Mr. Kanefsky advised that Regus Management ("Regus"), has provided the NWCDC with an invoice for office rent and other services, and that that must be paid by July 1, 2014.

Return to Executive Session

Chairperson Zazzali entertained a motion to re-enter Executive Session, noting that the Board would discuss severance and other personnel matters, contractual matters, pending and potential litigation, and government investigations, and that the minutes of the Executive Session will remain confidential until the end of the litigation and investigation, or until such time as the Board determines the need for confidentiality no longer exists.

Motion to Enter Executive Session:

Moved by Trustee Merritt Second by Trustee Wefing

Vote:	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
The Hon. Cory A. Booker				X
The Hon. James R. Zazzali	X			
The Hon. Dorothea O’C. Wefing	X			
Dr. Clement A. Price	X			
Edwin H. Stier, Esq.	X			
William T. Merritt	X			
The Hon. Augusto Amador				X

Action taken Motion Passed

The Board entered Executive Session at 4:11 P.M.⁶ Chairperson Zazzali noted that the Board will reconvene in Public Session after concluding its matters in Executive Session.

Adjournment

The meeting was adjourned during Executive Session at 4:48 P.M. when the Board lost its quorum.

⁶ Members of the public left the meeting as the Board re-entered Executive Session.